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EXTENSION OF WAIVER AUTHORITY UNDER THE TRADE ACT

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

NOTIFICATION OF A FURTHER EXTENSION OF THE WAIVER AUTHORITY UNDER THE TRADE ACT CONCERNING THE HUNGARIAN PEOPLE'S REPUBLIC, THE SOCIALIST REPUBLIC OF ROMANIA, AND THE PEOPLE'S REPUBLIC OF CHINA, PURSUANT TO 19 U.S.C. 2432 (c), (d)

JUNE 2, 1987.—Message and accompanying papers referred to the Committee on Ways and Means and ordered to be printed

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To the Congress of the United States:

I hereby transmit the documents referred to in subsection 402(d)(5) of the Trade Act of 1974 with respect to a further 12-month extension of the authority to waive subsections (a) and (b) of section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China will substantially promote the objectives of section 402. The attached documents also include my reasons for extension of the waiver authority; and for my determination that continuation of the waivers currently in effect for the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China will substantially promote the objectives of section 402.

RONALD REAGAN.

THE WHITE HOUSE, *June 2, 1987.*

REPORT TO THE CONGRESS CONCERNING
EXTENSION OF WAIVER AUTHORITY

Pursuant to subsection 402(d)(5) of the Trade Act of 1974 (hereinafter "the Act"), I have today determined that further extension of the waiver authority granted by subsection 402(c) of the Act for 12 months will substantially promote the objectives of section 402 and that continuation of the waivers currently applicable to the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China will also substantially promote the objectives of section 402 of the Act. My determination is attached and is incorporated herein.

The general waiver authority conferred by section 402 of the Act is an important means for the strengthening of mutually beneficial relations between the United States and certain countries of Eastern Europe and the People's Republic of China. The waiver authority has permitted us to conclude and maintain in force bilateral trade agreements with Hungary, Romania, and the People's Republic of China. These agreements continue to be fundamental elements in our political and economic relations with those countries, including important exchanges on emigration and human rights matters. Granting of Most Favored Nation (MFN) status gives U.S. companies the ability to compete in those markets. Moreover, continuation of the waiver authority would permit future expansion of our bilateral relations with other countries now subject to subsections 402(a) and (b) of the Act, should circumstances permit. I believe that these considerations clearly warrant this renewal of the general waiver authority.

I continue to believe that extending the current waivers applicable to Hungary, Romania, and the People's Republic of China will substantially promote the objectives of section 402 of the Act.

Hungary. Hungary has continued to take a relatively positive and constructive approach to emigration matters. Nearly all Hungarians who are eligible to apply to emigrate for purposes of family reunification receive permission to depart. The American Embassy in Budapest issued 102 immigrant visas in 1986, almost exactly the same number as in 1985, and also processed six Hungarian citizens for travel to the United States to join relatives who are refugees. There is one pending divided family case, but a resolution is expected shortly. There are no systematic official sanctions imposed on persons who seek to emigrate.

Romania. Emigration from Romania, both overall and to the United States, has been substantial in the period of over a decade since the waiver has been in effect. All told, more than 170,000 Romanians have emigrated to the United States, Israel, and the Federal Republic of Germany (FRG) during this period. In 1986, over 15,000 Romanians departed legally for these three countries.

The American Embassy in Bucharest issued visas or other documentation to 1,996 people in 1986 for legal departure from Romania to the United States. Although this figure reflects a decline in Romanian passport issuances to individuals qualified for U.S. admissions processing in the latter part of 1986, and a decrease from the previous year's total of 2,913, it still is substantial in human terms. The more than 900 new approvals since January and discussions with the Romanian Government suggest that steps are being taken to increase the flow to a level consistent with U.S. immigration and admissions procedures.

The various emigration lists (family reunification, marriage, and special refugee program) that we regularly submit to the Romanian Government currently contain about 3,000 names of individuals eligible for admission to the United States, and we are hopeful, based on past experience, of resolving most of these cases in the context of the MFN relationship. Ethnic German departures for the Federal Republic of Germany totaled 11,944 in 1986. Romanian Jewish arrivals in Israel numbered 1,282. Emigration to Israel has now reduced the Romanian Jewish community to under 24,000 people.

Although numerous problems remain in the emigration area, the Romanian Government's substantial implementation of new procedures for emigration from Romania to the United States, which were agreed to in 1985, has reduced material and physical hardships for the majority of people departing for the United States since the middle of 1985. The Romanian Government also has continued to honor its assurances, given in June 1983, that it would not require reimbursement of education costs as a precondition to emigration.

I share the strong concerns manifested among the public and in the Congress regarding many Romanian Government policies and practices regarding human, including religious, rights and the treatment of ethnic minorities. However, it is the MFN relationship that enables us to engage the Romanians in a frank dialogue on these issues and work to improve conditions there.

We have been able to raise issues of concern to minorities, particularly with regard to educational and cultural opportunities. We have urged the Romanian Government to ease administrative restrictions on the "unrecognized" religious groups and to release imprisoned religious activists. Similarly, we have argued against measures that discourage construction and repair of churches and that have allowed, in a number of cases in recent years, their demolition for alleged building code violations or for urban renewal purposes.

I can report that many of the cases of high U.S. public and congressional interest have been resolved. Constantin Sfatcu and Dorel Catarama, freed earlier from prison, have now emigrated to the United States. The charges against Ilie Neamtu have been dismissed by a Romanian court. The mathematicians Radu Rosu and Silviu Teleman have been allowed to take up academic positions in this country.

The Second Baptist Church in Oradea will be spared from demolition, and we are trying to assist the congregation in gaining permission to build on a newly acquired site. The Seventh Day Adventists have been given assurances regarding a replacement site for a church and offices that were torn down last year because they were in a redevelopment zone. Although one major synagogue was demolished in 1986, important Jewish buildings in Bucharest, the Choral and Great Synagogues and the Jewish museum, have been preserved in accordance with assurances provided by the Romanian Government. We also have been successful in promoting the printing of Protestant Bibles, something that has not happened in Romania since the 1920's.

My decision to extend the waiver authority for Romania for 1987-88 has been taken after careful deliberation within the Administration. I have concluded that extension of MFN to Romania continues not only substantially to promote the objectives of the Act concerning emigration, but also to enable us to have an impact we would not have otherwise on human rights concerns and to help to strengthen the extent of religious freedom in Romania.

Despite many problems, religious observance is active and widespread in Romania and, especially among the Protestant denominations, is growing faster than in other countries of Eastern Europe. Romania has some 8,000 functioning Orthodox churches, as well as over 4,000 of other denominations including more than 1,000 functioning Baptist churches. The extension of MFN has facilitated American citizens' access to co-religionists in Romania as well as the flow of several million dollars' worth of material assistance to them each year. In this context, I believe it important that existing U.S. access and influence be preserved.

I have instructed the Secretary of State to pursue with renewed vigor our human rights dialogue with Romania and seek further improvements, and to continue to report to me and to the Congress every 6 months concerning these matters.

People's Republic of China. China continues to have a relatively open emigration policy. The number of immigrant visas issued by our embassy and consulates in China has increased every year since the United States normalized relations with China in 1979. In Fiscal Year 1986, China posts issued 14,051 immigrant visas (13,356 in Fiscal Year 1985) and 43,858 non-immigrant visas (44,254 in Fiscal Year 1985). The minimal decrease in non-immigrant visas was probably due to the drop in the number of Chinese delegations travelling abroad for business reasons. These non-immigrant visas were issued to Chinese who wished to study, conduct business, or visit relatives in the United States. It remains true that other Western countries have also experienced increases in Chinese travel and emigration.

For the above reasons, I have determined that continuation of the waivers for Hungary, Romania, and the People's Republic of China will substantially promote the objectives of the Act.

THE WHITE HOUSE

WASHINGTON

June 2, 1987

Presidential Determination
No. _____

MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT: Determination Under Subsection 402(d)(5) of the Trade Act of 1974 -- Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93-618), January 3, 1975 (88 Stat. 1978) (hereinafter "the Act"), I determine, pursuant to subsection 402(d)(5) of the Act, that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waivers applicable to the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China will substantially promote the objectives of section 402 of the Act.

This determination shall be published in the Federal Register.

Ronald Reagan

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